

SERVICE LEVEL AGREEMENT BETWEEN THE NATIONAL TAXPAYER ADVOCATE AND THE CHIEF, CRIMINAL INVESTIGATION

I. INTRODUCTION

- A) This agreement outlines the procedures and responsibilities for the processing of Taxpayer Advocate Service (TAS) casework when the authority to complete case transactions rests outside of TAS.
- B) The parties to this agreement are the Taxpayer Advocate Service represented by the National Taxpayer Advocate (NTA), and Criminal Investigation, represented by the Chief, Criminal Investigation (CI).
- C) Any existing customer/service level agreements are rendered obsolete and are superseded by this agreement. This agreement shall take effect consistent with the timeline agreed to by the parties.
- D) This agreement is national in scope and will be the basis upon which determinations regarding the processing and procedures for TAS cases will be made by the parties. Items specific to Criminal Investigation are incorporated into the addendum to this agreement.
- E) Local disagreements over the implementation of these provisions will be elevated through the appropriate management channels within TAS and CI for resolution. If resolution cannot be reached, then the matter will be elevated to the National Taxpayer Advocate and the Chief, CI who will negotiate with the appropriate party(ies).

II. PURPOSE

The purpose for developing and implementing a Service Level Agreement is to establish uniform standards for the processing of work when TAS does not have the statutory or delegated authority to affect complete resolution of the taxpayer's problem, to ensure that TAS employees are included, where appropriate, in training and CPEs held by the CI Fraud Detection Centers (FDCs), and to maintain a working knowledge in TAS of operational policies and procedures.

III. STATEMENT OF COMMITMENT

- A) The signatures of the NTA and the Chief, CI reflect concurrence that TAS casework requiring priority consideration will receive that consideration within CI.
- B) The Chief, CI will issue a communication to CI employees consistent with the timeline agreed to by all parties, through the management chain, to all CI employees, that emphasizes the priority nature of a Taxpayer Advocate case, as defined in Section VI, Items E and F of this agreement, and encourages employees and managers to work cooperatively with TAS to

effect timely resolution of taxpayer problems. This memorandum will also include the endorsement of this agreement and the provisions contained therein.

- C) The Service Level Agreement will be reviewed annually or more frequently with concurrence of the parties. Modifications will be made in writing and will be signed by the NTA and the Chief, CI.
- D) All basic IRMs for CI, upon updating, will include the Service Level Agreement, and the Addendum. In other IRMs in electronic format, where the Service Level Agreement is not included, a hotlink will be made available to the Service Level Agreement.
- E) Training opportunities, where appropriate, in the CI FDCs will be communicated to TAS to ensure attendance of TAS personnel. TAS will work with the CI FDCs to identify the number of slots available for the training. TAS will identify the appropriate TAS personnel who will serve as train-the-trainers to attend this training. If travel is involved for TAS employees to attend training/CPEs, TAS will be responsible for funding its employees.

IV. OPERATIONS ASSISTANCE REQUEST PROCESS

TAS uses the Operation Assistance Request (OAR) process to refer a case to CI when TAS lacks either the statutory or delegated authority to affect the resolution of the taxpayer's problem. This authority can be found in IRM 13. TAS utilizes Form 12412, Operations Assistance Request, to initiate the OAR process.

V. TAXPAYER ADVOCATE SERVICE RESPONSIBILITIES

- A) All TAS CI cases will be worked in the Local Taxpayer Advocate (LTA) office co-located with the CI FDC controlling the account. Congressional inquiries to TAS will be worked by the LTA office located in the congressional district.
- B) TAS will provide training to its employees describing the roles and responsibilities of TAS personnel in the OAR process.
- C) TAS will ensure that cases meet appropriate TAS criteria prior to submitting an OAR to the CI FDC. TAS will not reopen Z-Freeze CI cases that were previously closed by TAS unless new information is provided by the taxpayer or the case was closed in error by TAS.
- D) TAS is responsible for following IRM 13. TAS will make initial contact with the taxpayer to acknowledge receipt of the case, validate the hardship if appropriate, and determine the taxpayer's problem. TAS will conduct all appropriate IDRS research and identify the issue(s) based on case analysis.

- E) Each TAS office will appoint a liaison who will be responsible for forwarding the OARs from his/her respective office to the CI FDC Liaison. See the addendum for the liaisons. The TAS Liaison will also be the contact point for the appropriate CI FDC Liaison on matters outside the scope of the TAS case should discussion be necessary on administrative/and or procedural matters.
- F) TAS will complete Form 12412 to initiate the OAR process, supplying both the TAS Case Advocate's name and the TAS Liaison's name and contact information, including telephone number, address, and fax number. TAS will forward the case, along with the necessary supporting documentation (i.e., IDRS transcripts, documentation submitted by the taxpayer, copies of tax returns, etc.) via Form 3210, Document Transmittal, to the CI FDC Liaison as defined at paragraph VI.A. Transmitting the OAR can be made via facsimile.
- G) In accordance with IRM 13, the TAS Case Advocate will not inform the taxpayer about the criminal investigation and will follow-up with the CI Liaison for a status report. TAS will be responsible for all taxpayer contact only if instructed by CI.
- H) Should there be problems with the timeliness of the completion of the OAR, the TAS Case Advocate will elevate this problem to his/her immediate manager. The TAS manager will contact the designated CI FDC manager.
- I) The TAS Area Director(s) or their designees, and the appropriate CI FDC Liaison(s) will meet at least quarterly, or more often if either party determines a need, to discuss issues of importance that may include, but are not limited to, the appropriateness of TAS criteria classification, the quality/accuracy of case development, and the OAR process. The Area Directors will provide the National Taxpayer Advocate and the Deputy National Taxpayer Advocate with regular reports on the results of these discussions.
- J) For cases involving economic hardship, TAS Criteria Codes 1 through 4 as defined in IRM 13, the TAS Case Advocate will submit Form 12412, to the CI FDC Liaison within one (1) workday of TAS's determination of the taxpayer's economic hardship and eligibility for relief.
- K) For cases involving systemic hardship (delay or systemic/procedural failure), TAS Criteria Codes 5 through 9 as defined in IRM 13, the TAS Case Advocate will submit Form 12412 to the CI FDC Liaison within three (3) workdays of TAS's determination of the taxpayer's systemic hardship and eligibility for relief.
- L) While the case is being worked in CI, the TAS Case Advocate will follow up with the CI FDC Liaison only after the established completion date to determine the status of the case. If new information becomes available

prior to the established completion date, the TAS Case Advocate will contact the CI FDC Liaison to provide new information, if appropriate.

- M) In some cases where an economic hardship (TAS Criteria Codes 1 through 4) has been determined, faster resolution is warranted. In such a case, the TAS employee will advise the CI employee assigned the case that an economic hardship has been established by the taxpayer and negotiate an expedited response date.
- N) If the TAS Case Advocate and the CI employee assigned the case cannot agree upon the appropriate resolution of the taxpayer's problem, the TAS employee will elevate this disagreement to his/her manager who will discuss it with the designated CI manager. The CI employee assigned the case will also elevate any disagreement to his/her manager.
- O) If resolution of the taxpayer's case cannot be completed in the established timeframes, the TAS manager, or designee, working with the TAS liaison in the initiating office, will contact the designated CI FDC manager to discuss the reasons for the delay.
- P) TAS will provide the designated CI FDC Liaison(s) and managers access to the TAS Data Portal OAR reports that will assist the CI Liaison(s) in monitoring his/her OAR inventory.

VI. CI RESPONSIBILITIES

- A) CI will assign a liaison in each Campus where a CI FDC is located. It is recommended that the CI Liaison(s) be a manager or other employee who has the delegated authority to assign cases and to follow up on the work. Further, this individual should have the authority to elevate problems he/she identifies with timeliness of the casework through the appropriate management chain, campus or field.
- B) The CI FDC Liaison(s) will be responsible for accepting the OARs from TAS, acknowledging receipt of the case, reviewing the case for appropriate assignment, assigning the case to the appropriate employee within the function, and monitoring the case through its conclusion.
- C) The CI FDC Liaison(s) will elevate any disagreements over the determination of relief requested, including any OAR not sufficiently developed, to the LTA in the originating office within one (1) workday of receipt of the Form 12412.
- D) If an OAR is misrouted by TAS to the incorrect CI FDC, the OAR will be returned to TAS within one (1) workday, identifying the correct FDC.
- E) For cases involving economic hardship, TAS Criteria Codes 1 through 4, the CI FDC Liaison(s) will acknowledge receipt of the case to the designated TAS liaison via Form 3210, Document Transmittal, within one

(1) workday of receipt of the case. The acknowledgement can be made via facsimile.

- F) For cases involving systemic hardship (delay or procedural/systemic failure), all other TAS Criteria Codes, the CI Liaison(s) will acknowledge receipt of the case to the designated TAS Liaison via Form 3210, Document Transmittal, within three (3) workdays of receipt of the case. The acknowledgement can be made via facsimile.
- G) The CI Liaison will provide TAS with the name and telephone number of any other CI employee if the CI Liaison is not the contact employee. This information will be provided on the Form 3210, Document Transmittal, returned to the designated TAS Liaison in the timeframe outlined in Paragraphs VI.E and VI.F herein.
- H) On taxpayer accounts frozen with a P-Freeze only, TAS will send an OAR to the FDC with the open IDRS control base. TAS will identify why the case meets TAS criteria, and request CI make a determination of whether the refund can be released. CI will provide TAS the determination within five (5) workdays from the date the OAR is received.
 - 1. If CI determines the refund can be released, one of two actions will be taken.
 - a) On economic hardship (TAS Criteria Codes 1 through 4) cases where a manual refund is required, CI will close the IDRS control base with Activity Code "CLOSED2TAS" so that the case will no longer be open in CI. Then TAS can issue the manual refund in accordance with Delegation Order 40.
 - b) If a manual refund is not required, CI will issue the refund by promptly releasing the P freeze on the applicable tax module.
 - 2. If CI determines that the return is false, CI will update IDRS to identify the case as a criminal investigation "no contact" case. CI will input the TC 91X control, add the "no contact" IDRS History Item and provide TAS language to use in responding to the taxpayer. If TAS responds with language provided by CI, the TAS letter will clearly identify the specific statements provided by CI.

- I) When taxpayer accounts are frozen with a Z-Freeze, including those that contain a “no contact” indicator on IDRS, TAS will send an OAR to the FDC with the active Z-Freeze. TAS will identify why the case meets TAS criteria, and request CI make a determination of whether the refund can be released. CI will respond to the OAR within ten (10) workdays from the date the OAR is received, providing the status of the refund and guidance on resolution.
 - 1. If CI determines the refund can be released, one of two actions will be taken.
 - a) On economic hardship (TAS Criteria Codes 1 through 4) cases where a manual refund is required, CI must provide written authorization to TAS on the applicable OAR, making clear that CI has released its jurisdiction over the refund (i.e., the refund should no longer be considered open in CI). Then TAS can issue the manual refund in accordance with Delegation Order 40.
 - b) If a manual refund is not required, CI will input the appropriate transaction code for only that tax module in order to release the taxpayer’s refund.
 - 2. If CI determines that the return is false and responds with a letter, CI will enter an IDRS Activity Code that notes the type of letter and the date it was sent. If TAS responds with language provided by CI, the TAS letter will clearly identify the specific statements provided by CI.
- J) The CI employee and the TAS Case Advocate will agree upon the timeframes for follow-up based on the facts and circumstances of the particular case.
- K) The CI employee assigned the case will communicate his/her findings and recommendations on the final disposition of the case with the appropriate TAS Case Advocate.
- L) If the TAS Case Advocate and the CI employee assigned the case cannot agree upon the resolution to the taxpayer's problem, the TAS employee will elevate this disagreement to his/her manager who will discuss it with the designated CI FDC manager. The CI employee assigned the case will also elevate any disagreement to his/her manager.
- M) If resolution of the taxpayer's case cannot be completed by the negotiated date, or by any negotiated extension date, the CI employee will elevate the matter to the designated CI FDC manager.
- N) Upon the resolution of the case, the CI employee assigned the OAR will complete section VI of Form 12412 and return to the TAS Case Advocate assigned the case. The Form 12412 will be returned within three (3) workdays from the date that all actions have been completed and

transactions posted. However, when TAS indicates a manual refund is necessary, the Form 12412 must be returned within one (1) workday of the input of the closure of the IDRS Control Base or providing the written authorization on the OAR, making clear that CI has released its jurisdiction over the refund, allowing TAS to issue the manual refund.

- O) The CI Liaison(s) will use the TAMIS reports available on the TAS data Portal and follow up with the assigned CI employee as needed.
- P) The CI Liaison(s) will be responsible for effectively managing the OAR inventory and providing reports to his/her manager that identifies cases not closed by the negotiated date.
- Q) The designated CI FDC manager will meet at least quarterly, or more often, if either party determines a need, with the TAS co-located Local Taxpayer Advocate, to discuss issues of importance that may include, but are not limited to, the timeliness of CI processing OARs, the quality of the language provided to TAS for closing cases, and the OAR process.
- R) In accordance with I.R.C. § 7803(c)(2)(C)(ii) and the final report from TIGTA, entitled, "The National Taxpayer Advocate Needs to Ensure Operations' Employees Receive Training to Identify Cases", CI will provide TAS the opportunity to provide TAS awareness case criteria training, at least annually, during CPE sessions, group meetings, or other appropriate venues.

VII. JOINT IMPROVEMENT EFFORTS

- A) The Executive Director for Systemic Advocacy will provide information on trends, legislative recommendations, and systemic and procedural problems to CI. The Executive Director for Systemic Advocacy, working with the TAS Director of Program, Planning, and Quality, will provide the Director, Refund Crimes with periodic reports and analysis of the TAS inventory Study.
- B) The CI Liaison(s) will seek and identify opportunities to work with the Executive Director for Systemic Advocacy who will advocate for taxpayers and ensure their interests and concerns are represented during the development of new IRS policies, systems, procedures, and programs.

VIII. IMPLEMENTATION AND COMMUNICATION

TAS will convene a cross-functional team to monitor the implementation of all Service Level Agreements between TAS and the Operating/Functional Units. This team will review any proposed modifications to the Service Level Agreements and elevate any recommendation to the respective Division Commissioners and Functional Chiefs and the National Taxpayer Advocate.

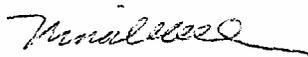
TAS and CI will develop a communication strategy that will provide the terms of the Service Level Agreement to all employees, consistent with the timeline agreed to by the parties.

This agreement and addendum are effective beginning June 1, 2005.

/s/ 

Nancy J. Jardini
Chief, Criminal Investigation

6-7-05
Date

/s/ 

Nina E. Olson
National Taxpayer Advocate

05.20.05
Date